

Name of the student:	Sjoerd Welmers
Title of the thesis:	State Financialisation and Economic Growth
Reviewer:	Ignacio Lago (UPF)

1. KNOWLEDGE AND CONNECTION TO THE FIELD

(relevance of the research question, research objective, literature review):

The paper addresses a very interesting, clear and relevant question, namely the effect of state financialisation on economic growth. In general terms, the paper is well-written, shows a deep knowledge of existing research and conducts a sophisticated quantitative analysis. The contribution is clearly presented. The empirical evidence comes from UE member states in the 1995-2021 period.

2. ANALYSIS

(methodology, argument, theoretical backing, appropriate work with sources):

I have a very positive view about this paper. Clearly, it is an outstanding piece of research. However, there are several points that needs to be addressed in order to have a more competitive paper and, why not, submitting this piece to an academic journal:

- The justification of the 1995-2021 period is not clear. More importantly, I believe that the analysis is by the historical drop in the GDP in 2020-21 due to the pandemic. This point is not addressed in the paper.
- Some parts are unnecessarily long. For instance, the introduction should be shortened and in general the author should get to the point.
- I wonder whether the conclusions can be extrapolated to non-UE countries. As economic rules are common to all UE member states, the variation in the key independent variables (and in the dependent variable as well) is smaller than in a worldwide analysis. Please, address this point at least in the conclusions.
- While state financialisation is clearly defined following Schwman et al. (2021), the operationalization has to be explained in more detail.
- I find the hypotheses confusing. In all of them the author argues that Z (e.g., public debt) affects state financialisation (X) and X affects economic growth (Y). Therefore, the true effect goes from Z to Y and state fracionalisation does not matter. Additionally, in this form the relationship seems endogenous.
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- The estimates are not shown in the paper (only the effects in Table 7) and therefore it is not easy to understand how the model works. In other words, we need to see the fit of the models, the number of observations, etc.
- Not sure if the lag of Y is included in the right side of the equation. The author mentions this idea, but the lag does not appear in equation (1).
- I miss a deeper discussion on autocorrelation and non-stationarity.

3. CONCLUSIONS

(persuasiveness, link between data and conclusions, achievement of research objectives):

The paper has a coherent structure and does what is promises.

4. FORMAL ASPECTS AND LANGUAGE

(appropriate language, adherence to academic standards, citation style, layout):

The paper is well-written and meets the academic standards

5. SUMMARY ASSESSMENT

(strong and weak point of the dissertation, other issues)

The paper deals with a very relevant topic, is well-written and is nicely exetuted.
The weak points have been carefully discussed in section 2.

Grade (A-F):	A
Date:	Signature:
January 12 2023	Ignacio Lago

classification scheme

Percentile	Prague		Krakow		Leiden		Barcelona	
	91-100 %	8,5%	5	6,7%	8,5-10	5,3%	9-10	5,5 %
B (81-90)	81-90 %	16,3%	4,5	11,7%	7,5-8,4	16,4%	8-8,9	11,0 %
C (71-80)	71-80 %	16,3%	4	20%	6,5-7,4	36,2%	7-7,9	18,4 %
D (61-70)	61-70 %	24%	3,5	28,3%			6-6,9	35,2 %
E (51-60)	51-60 %	34,9%	3	33,4 %	6-6,4	42,1 %	5-5,9	30,1 %

Assessment criteria:

Excellent (A): 'Outstanding performance with only minor errors';

Very good (B): 'Above the average standard but with some errors';

Good (C): 'Generally sound work but with a number of notable errors';

Satisfactory (D): 'Fair but with significant shortcomings';

Sufficient (E): 'Performance meets the minimum criteria';

Fail: 'Some/considerable more work required before the credit can be awarded'.